

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:1886

ANSWERED ON:09.03.2016

Private Participation in Infrastructure Sector

Kamaraaj Dr. K.;Maadam Smt. Poonamben Hematbhai;Nayak Shri B.V.

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Government has any plan to involve private participation in the infrastructure sector of Railways;
- (b) if so, the details thereof and the overview of framework for PPP and FDI;
- (c) the details of the companies/enterprises which are being considered for the same; and
- (d) the total funds/resources required to augment infrastructure capacity and modernisation?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI MANOJ SINHA)

(a) & (b): A Participative Policy for rail connectivity and capacity augmentation was issued in December, 2012 which provides the following five models for building rail connectivities:

- (i) Non- Government Railway (NGR) model
- (ii) Joint Venture (JV) model
- (iii) Build Operate and Transfer (BOT) model
- (iv) Capacity augmentation with funding provided by customers model
- (v) Capacity augmentation through annuity model

Government in August, 2014 had permitted 100% Foreign Direct Investment (FDI) in construction, operation and maintenance of:

- (i) Suburban corridors through Public Private Partnership (PPP)
- (ii) High speed train projects
- (iii) Dedicated freight lines
- (iv) Rolling stock including trains sets and locomotive/coaches manufacturing and maintenance facilities
- (v) Railway electrification
- (vi) Signaling system
- (vii) Freight terminal
- (viii) Passenger terminal
- (ix) Infrastructure in industrial park pertaining to railway line/siding
- (x) Mass Rapid Transport System.

Ministry of Railways have issued its Sectoral guidelines in November, 2014 for Domestic/Foreign Direct Investment (FDI) in rail sector.

(c): The Private Companies/Enterprises which have been permitted to build rail connectivity under the Participative Policy include:

- (i) JSW Jaigarh Port Limited for Jaigarh port rail connectivity.
- (ii) Rewas Port Limited for Rewas port rail connectivity.
- (iii) Balaji Infra Development Private Limited for Lalitpur-Udaipura (Electrification)
- (iv) Dhamra Port Limited for Dhamra port rail connectivity.
- (v) Navayuga Engineering Company Limited for Astrangra port rail connectivity.
- (vi) Nargol Rail Link Limited for Nargol port rail connectivity.
- (vii) Simar Port Limited for Chhara port rail connectivity.
- (viii) Hazira Port Infra Limited for Hazira port rail connectivity.
- (ix) Dighi Port Limited for Dighi port rail connectivity.

Apart from the above, Public Sector Undertakings (PSUs) of the Ministry of Railways/Government of India have also been permitted to take up rail connectivity projects.

Electric and Diesel Locomotive factories at Madhepura and Marhowra entailing FDI have been awarded to M/s Alstom Manufacturing India Limited and M/s GE Diesel Locomotive Private Limited, respectively.

(d): Estimated requirement of investment is ₹ 8,56,020 crore (approximately 135 billion US dollars) over five years to augment infrastructure capacity and modernisation.
